IX-X

COÖPERATION

ON THE

PACIFIC COAST.

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HERBERT B. ADAMS, Editor

History is past Politics and Politics present History — *Freeman*

SIXTH SERIES

IX-X

COÖPERATION ON THE PACIFIC COAST

By CHARLES HOWARD SHINN

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COÖPERATION ON THE PACIFIC COAST.

SOME ILLUSTRATIONS OF EXPERIMENTS IN CALIFORNIA.

BY CHARLES HOWARD SHINN.

The Pacific coast states and territories have been so prosperous, and their immense natural resources have offered such unusual opportunities to individual labor, that the principles of coöperation have not made much headway as yet, and, perhaps, cannot for years to come. The working classes are far from being ready for such organizations. Semi-coöperative schemes are abundant; temporary associations to buy and divide up land, or colonies, where each purchaser agrees to certain mutual improvements, are matters of frequent occurrence, as in all civilized communities. But, aside from these and similar groups, the field which coöperation occupies on the Pacific Coast is a very small one. I know that newspaper writers have reported otherwise, and that it seems to be thought that the paradise of the association, the social reformer, and the experimenter, is "West of the Rockies." Those social reformers who come to this coast from elsewhere do undoubtedly find many and notable advantages, so far as soil, climate and good will of the community are concerned. But nothing in the social order, or in industrial conditions here, tends to develop the coöperative spirit as yet.

This curious and altogether unexpected fact receives its strongest confirmation from a study of the horticultural field. Here was land in California, cheap and easy to obtain; much of it still so cheap that twenty men with one thousand dollars each could make themselves comfortably

well off, by uniting their capital and labor, on a half-section of fruit or grape land. The whole subject, down to the most minute details, has been written about for years past. Every workingman in California has heard of it, and yet such extremely simple experiments as this have not been made. The easiest and most promising form of coöperation, which reduces risks and difficulties to a minimum, is almost unknown on the Pacific coast. The forces that train individuality and throw men upon their own resources, are in the ascendency here. Men change their business more frequently and partnerships are more often dissolved here than in older communities. Nothing but the steady pressure of a harder life-struggle can ever make coöperative experiments more common in California. After the very large material development now manifest on the Pacific slope has more nearly approached its natural limits, some practical work in the way of horticultural coöperation may be expected in some regions, among the vineyardists for instance. But the tendency toward peasant proprietorship is far more evident. The most fertile and beautiful valleys of California, almost ideally adapted for coöperative horticulture, in groups and colonies, are going to be cut into small holdings of three, five and ten acres. This ultimately, we mean; but still within a shorter period than seems possible to men who are only familiar with the land-changes of the Atlantic states and the Middle West. In some cases ten years has been sufficient to change a ten-thousand-acre tract of pasture land into twenty-acre individual holdings, and the tendency toward smaller divisions is manifest. We shall certainly come to the peasant-holdings of three and five-acre gardens, or even less.

It is sometimes said by thoughtless and careless writers that the miners of 1848 and 1849 had the most interesting and efficient system of coöperation, successful for years, but finally broken down and destroyed by the encroachments of capital. System they had none. Their coöperation, though it was often a success, was only the natural and praiseworthy

helpfulness of all pioneers, intensified by the peculiar isolation and the peculiar inspiration of the California of the gold period. It is certainly true that they joined their labor, man to man, in many a company to turn the course of mountain streams and mine the rich gravel beds below. Hundreds of such organizations, most assuredly coöperative, existed during the mining days of California and Oregon, but by 1856 most of the mining rights and water rights acquired by them had lapsed, or had passed into the hands of capitalists. Some of these simple coöperative groups fulfilled the purpose for which they were organized, and then disbanded. Labor had so high a value in the Golden Age of California, that the labor of one man represented more capital than at any time since. The prevalence of coöperative methods in many camps is therefore of little value in any modern study of Pacific coast tendencies. The fact of the use of coöperation by the miners is very interesting, but it throws no light on the present. It passed away with the gold era, it failed to be transplanted to the fertile valleys, it left behind it some solid gain of good-will and social order, but nothing else whatever.

When we take up our investigation of some of the California coöperative efforts, and seek for suggestive illustrations, one of the foremost is a horticultural experiment in Sonoma county. It cannot be called anything but a plain business enterprise, which has met with satisfactory results, and therefore deserves examination. The limiting clause, providing for ultimate subdivision, will be found in nearly all land associations, home improvement societies and so-called coöperative colonies.

Italian-Swiss Agricultural Colony.

While a number of agricultural colonies in California have been begun on the coöperative plan, the majority of them have remained coöperative only for a limited period of time. The usual plan has been for those coöperating to

pool their funds and purchase a tract of suitable land, from ten to fifty acres being allowed to each individual. This tract is at first worked in common for a given number of years, which varies according to the constitution of the different societies. The average may be struck at ten years. The income from the place is devoted to improvements, which are so applied as to make all parts of the land equally valuable. At the end of the period the land is divided into as many tracts as there are stockholders, and thenceforward are held in severalty. In this way most of the southern California colonies originated.

Of the few that have remained coöperative, the Italian-Swiss Agricultural Colony is perhaps the best example. The enterprise was begun in 1881, and originated with A. Sharboro, of San Francisco. Mr. Sharboro was secretary of several of the mutual loan associations, which drew their clientage from the Swiss and Italians on the coast; and this enterprise was the result of his efforts to find employment for these foreigners, and at the same time to provide a safe investment for their savings. His idea formed itself on the plan of the mutual loan associations. The subscribing members were allowed to pay for their stock in nominal monthly installments of one dollar, thus putting the stock within the means of the poorest day-laborer. Preference was given to Italians and Swiss, though laborers of other nationalities were not formally excluded. It was incorporated in March, 1881, for the purpose of buying and selling agricultural lands for colony and other purposes, for cultivating the same, for manufacturing, buying and selling wines and spirits, and for dealing in the products of said lands. The stock was capitalized at $300,000, divided into 5,000 shares, of the par value of sixty dollars a share. There was no limit to the number of shares purchasable by one person, but each stockholder was entitled to but one vote in the management of affairs, no matter how many shares he might hold. The constitution contains very wise provisions of a primitive nature, by which discipline may be enforced,

and in case a stockholder neglects or refuses to pay his monthly dues, he is fined ten per cent. upon the amount of his indebtedness. If he so neglects or refuses for six months successively, he is tendered by the treasurer the amount he has actually paid in, less his fines and forfeitures, and a return of his certificate of stock is demanded. This severs his connection with the association, his shares revert to it, and may be sold for its interest. Thoroughly unruly members are dealt with in a similar way.

The growth of the enterprise was slow and healthy, and shows throughout that experienced men conducted its affairs. The amount of capital stock subscribed for at the time of formal incorporation was about $50,000. Since then the number of shares has nearly doubled, the number of shareholders being about one hundred. For eleven months the new association contented itself with simply collecting in the monthly dues. At the end of that time sufficient capital was in hand to warrant the commencement of the real work of the association. A committee was appointed, which travelled all over the state, seeking a location suited to the needs of the association. After a careful survey, a tract of 1,500 acres in Sonoma county was selected. Work was at once begun and a portion of the land set out in vines and trees. The next year a further portion was cleared and set out, and so on, until now the association has five hundred and fifty acres of vines and two hundred acres of fruit trees, a moiety of which are in full bearing. The work is looked after by regular salaried officers, and the number of employés varies from twenty to sixty, according to the season.

As was noted above, the object of the association was two-fold, viz.: (1) to furnish a safe investment; and (2) to furnish employment for its members. The first object has been satisfactorily attained, for the property has become fully self-supporting and will be very valuable in the near future. It was at first intended that every laborer on the place should be a stockholder. The first who went on were

such. Later it was found that the average laborer was suspicious of any scheme which withheld from him any, even the smallest, portion of his weekly wages, and no other labor offering, it was found best simply to hire the majority of this ignorant class, without obliging them to enter the association. They are allowed, however, to come in at any time, if they so wish. After remaining on the ground for some time, many of them have so come in. The business is a growing one. No trouble has occurred in the management of affairs. The laborers live on the ground in entire satisfaction with the system. The enterprise is looked upon as a purely business one. Profits are divided proportionately to the shares. It is connected with no labor organization, and has asked no favors from any one, except from the railroad. The latter, shortly after the incorporation of the association, issued passes good for five years to its directors, between San Francisco and Asti station, where its property lies. These passes have now expired and have not been renewed.

The field that California and the entire Pacific coast offer for land coöperation in the fruit and wine business justifies the introduction here of the by-laws of this association. It is thought by capable judges that their property of fifteen hundred acres, when in full bearing, is likely to pay interest on a million dollars, besides furnishing labor at good wages to all of the stockholders who wish to work in orchard or vineyard. The very rapid creation of values, rendering every one of the one hundred stockholders independent, is the best feature of this out-door success—for it cannot be called less.

BY-LAWS.

ARTICLE I.

NAME AND OBJECT.

This association shall be known as the Italian-Swiss Agricultural Association, and its object shall be to buy and sell agricultural lands for colonial and other purposes, or cultivate the same, and to manufacture, buy and sell wines and spirits, to deal in the products of said lands, and all matters and things pertaining to the purposes herein specified. Its principal office shall be in the city and county of San Francisco,

ARTICLE II.

CAPITAL—SHARES.

The capital is established at $300,000, divided into 5,000 shares of the par value of sixty dollars per share, and each and every shareholder for each and every share of stock he or she may take, shall pay the sum of one dollar in gold coin on the first Tuesday in each and every month to the secretary for the period of sixty months, unless the association should be remunerative previously, in which event the board may order the cessation of the payments. The shares may be issued in series and at different periods, as may be ordered by the board of directors.

ARTICLE III.

MEMBERS.

SECTION 1. Each member shall be entitled to a certificate for the number of shares of stock held by him or her, which shall not be less than five nor more than fifty, to be issued in the name and under the seal of this association, signed by the president and attested by the secretary.

Sec. 2. Each person upon receiving a certificate of stock to which he or she may be entitled, shall subscribe to an agreement to comply with and obey all of the by-laws and rules of this association.

Sec. 3. Transfers of stock can only be made upon the books of the association by assignment in person or by attorney, on the payment of ten cents per share, and such transferee shall become a member of this association, and shall be subject to the rules and regulations thereof; but no shareholder shall be entitled to more than one vote.

ARTICLE IV.

FINES.

Any stockholder who shall neglect or refuse to pay his or her monthly installments shall pay a fine of ten per cent. per month upon the amount of his or her indebtedness on his or her stock.

This fine shall be charged by the secretary, and be paid with the delinquent monthly dues; and in case any shareholder shall neglect or refuse to pay his or her monthly dues or fines for the space of six months, the treasurer shall demand a return of the certificate of stock, and shall tender such stockholder the amount actually paid in, deducting all fines and forfeitures that may be charged against him or her, and from that time he or she shall cease to be a member of this association; and the shares held by such defaulting member shall revert to the association, and may be sold by the board of directors, as they may deem advisable, for the interest of the association, but in no case at less rate than the actual amount paid in for each share.

ARTICLE V.

WITHDRAWALS.

Stockholders wishing to withdraw from this association, or desiring to surrender part or all of their stock, shall be entitled to receive from the treasurer the amount of installments actually paid upon each share, with a part of the profits, if any shall have been earned, as the directors may from time to time establish, by giving thirty days' notice in writing previous to any regular monthly meeting, of such intention to withdraw; provided, that the amount shall be in the hands of the treasurer; and provided further, that not more than one-fourth of the funds in the treasury shall be applicable at any one time to the withdrawing members, without the consent of the board of directors. Such amounts shall be paid in succession, in the same order that the notices are given.

ARTICLE VI.

DEATH OF MEMBERS.

Upon the death of a stockholder, his or her legal representatives shall be entitled, upon surrendering the shares held by decedent, to receive the amount paid in on his or her stock, with interest at the rate of six per cent. per annum. No fines shall be charged to a deceased member after his or her death is made known, unless the legal representative of such decedent shall continue the payments on such stock, in which case he or she shall be deemed to have assumed the future payments, and thereby become a stockholder of this association, by complying with the by-laws.

ARTICLE VII.

LANDS.

As soon as any part of the land becomes remunerative it may be divided in suitable lots and sold by order of the board of directors at such prices as they may from time to time establish. The

preference of purchase shall always be given to the members of the association.

ARTICLE VIII.

DIRECTORS.

SECTION 1. The board of directors of this association shall be composed of nine members and shareholders, who shall elect among their number a president, a vice-president, treasurer, and a finance and executive committee, each composed of three members of the board.

Sec. 2. They will also appoint, outside of the board, a secretary, superintendent and attorney-at-law; and all officers so elected and appointed, together with the board of directors, shall constitute the officers of this association. The secretary, superintendent, and attorney, shall receive such salary as may be determined by the board, but no other officers shall receive any compensation for their services.

Sec. 3. Immediately after the first election it shall be decided by lot which of the nine directors shall serve respectively for one, two and three years; and at each annual meeting the stockholders shall elect three directors to succeed those retiring; but this association shall not cease or expire, or be dissolved from neglect or failure to elect officers, but all officers elected shall hold office until their successors are duly elected and qualified. Vacancies shall be filled by the board of directors until the next annual meeting.

ARTICLES IX. AND X.

defining the powers of president and vice-president, follow the state code so closely that repetition is unnecessary.

ARTICLE XI.

MEETING OF DIRECTORS.

The board of directors shall meet on the first Tuesday of every month, at such place and time as may be designated from time to time by a majority of the directors, for the purpose of attending to the affairs of the association, and to transact such other business as may come before them.

ARTICLE XII.

FINANCE COMMITTEE.

SECTION 1. It shall be the duty of the finance committee to examine and report upon all bills presented to the board, and attend to all matters pertaining to the finances of the association.

Sec. 2. Previous to each annual meeting of the association, it shall be their duty to examine the books of the secretary, treasurer and superintendent, and inquire fully into the financial affairs of the association, and to submit a report in writing to the annual meeting of the stockholders.

ARTICLE XIII.

EXECUTIVE COMMITTEE.

It shall be the duty of the executive committee to make all purchases of supplies, and make all sales of products, to the best interest of the association, and to visit the lands of the society from time to time, and order such work as they may in their judgment deem proper, subject always to the approval of the board of directors, to which they will make a monthly report of their transactions.

ARTICLES XIV. AND XV.

are devoted to the duties of the secretary and the treasurer, and are identical with corresponding articles in most by-laws of coöperation.

ARTICLE XVI.

SUPERINTENDENT.

It shall be the duty of the superintendent to superintend the works and the employés on the lands of the association, see that the work is properly done, and that each employé performs his duties faithfully. He will see that no waste of any kind is suffered on any of the property of the association. He will keep a correct inventory of all effects in his charge, and at each monthly meeting of the board he will send a written report of all the operations of the previous month, together with such other matter as may be interesting to the association. He will have power to discharge any of the employés for cause, and also in case of urgent necessity to employ temporarily such laborers as he may require; but such actions shall be immediately reported to the executive committee for their approval. He shall give adequate security in such amount as may be required by the board for the faithful performance of his duties.

ARTICLE XVII.

EMPLOYÉS.

All permanent employés on the grounds shall be appointed by the executive committee, subject to the approval of the board of directors; all such employés must be members of this association.

The preference shall be given to Italians and Swiss, who are either citizens of the United States or have declared their intention in a court of legal jurisdiction to become such.

ARTICLE XVIII.

MEETINGS.

The annual meetings of the association shall be held on the first Tuesday in April in each year, and special meetings at the call of the directors, of all of which due notice must be given in such manner as the board of directors may from time to time determine.

ARTICLE XIX.

AUDITING COMMITTEE.

At each annual meeting an auditing committee of three shareholders, not members of the board, shall be elected by the shareholders. It shall be their duty to carefully examine all the books and vouchers of the association, and to make within thirty days a written report of the results of their investigations.

ARTICLE XX.

REMOVALS.

The board of directors may remove any appointed officer of this association for good and sufficient cause, and fill such place or any other vacancy that may occur.

ARTICLE XXI.

AMENDMENTS.

No alterations or amendments of these by-laws shall be made, except by a vote of two-thirds of the stockholders present at an annual meeting, or a special meeting called for that purpose. One month's notice, in writing, of such proposed amendment, signed by at least five stockholders, must first be given.

The lands of this coöperative colony are situated near Cloverdale, in Sonoma county, on the west side of the valley, at a small station called Asti. So careful and energetic is the working of the soil, so thriving the vines and trees, and so beautiful the place, that it receives many visitors, and is one of the notable places of the region.

From the Fifth Annual Report, that for 1886, the following table is of service:

ASSETS.

Notes receivable secured by mortgages		$ 1,875 00
Personal property:		
Implements and furniture	$3,444 60	
Live stock	3,902 00	
Provisions and supplies	1,618 80	
Charcoal and wood	750 00	
Total as per inventory		9,715 40
Present actual cost of the 1,351.98 acres of land we have left, with all improvements, of which there will be at the end of the season about 525 acres planted with the best varieties of foreign grape vines, 100 acres in fruit and olive trees and about 200 acres in grain, potatoes and corn		80,668 45
Cash on hand		636 25
		$92,895 10

LIABILITIES.

Due members for installments on 1,437 shares, first series, at sixty dollars per share	$83,220 00
Premiums on first series	3,540 00
Premiums on second series	2,340 00
Deposits	795 10
	$92,895 10

In their report, the board of directors take occasion to congratulate their fellow-members on the results of their labors in harmony for the common welfare. They say:

"We have now reached the end of the payment of our monthly installments, and we find a large portion of our land transformed from thick brushes and dense forest into delightful orchards and vineyards—which does great credit to our enterprise—and it is entirely free from debt. Last year we obtained a little over a hundred tons of grapes from the vines set out the first year, which we sold at a good price. The wines made from our grapes turned out to be of such an excellent quality that, we doubt not, our grapes will always command a good price in the market."

The auditing committee closed their report in the following words:

"From the present actual state of the condition of our colony, we can sincerely felicitate all the members for the sagacious and safe investment of their money, which besides being profitable to each member, will be of great credit to the Italian and Swiss agriculturists and will serve as an example to all, that great agricultural enterprises may be undertaken and brought to a successful issue in California, as well as elsewhere, without the aid of the pernicious Chinese labor."

At this point we may safely leave this promising agricultural colony. Its success in the future depends in all probability upon the extent to which the stockholders take an active part. Its profits will be very large, even upon the capitalization. If divided up, as suggested, the rolling hills and valley slopes of Asti will soon present one of the prettiest views in California, for hundreds of homes will be built there. The tendency towards individual ownership may prove too strong for the coöperative organization. Still this colony promises well for long growth under its present form. It ought to be the model for a large number of practical colonies for fruit-growing.

The Boot and Shoe Coöperatives.

Probably the earliest efforts toward trade coöperation on the Pacific coast were made by the operatives of the boot and shoe factories of San Francisco. The work is in most cases by the piece, and the field of labor is so divided that this business lends itself more readily than most others to the coöperative plan. There is not the clashing of interests, nor the petty jealousies that come up where all the people interested are obliged to work at the same sort of work. Each department being separate, there are fewer interests to clash with each other; and further, the admission of a new member to any one department means a corresponding increase of work in the other departments, where, as in many

classes of work into which it has been sought to introduce the coöperative plan, the members become chary of admitting others, because such admission means a further division of the profits already in hand.

A number of boot and shoe coöperative schemes under different names, but comprising nearly the same men, have followed each other in San Francisco. Notable among these have been the Metropolitan, the California, and the Crispins, Boot and Shoemakers' Unions. All of these existed flourishingly for a time, but from a variety of causes, ranging from bad business management to loose discipline and criminal appropriation of funds by the officers, they all fell through, and left the honest contingent of members disgusted with and embittered toward the coöperative principle itself. Whether other and organic difficulties led to their failure, cannot now be ascertained, for those who could give information on the subject have dropped from their places, and the constitutions, by-laws and rules have long since disappeared. In the case of the Metropolitan, the business passed into the hands of a private firm, and in the others the organizations simply fell to pieces without formal disincorporation.

There is one coöperative boot and shoe establishment, however, that has proved in the face of the above failures that the fault in such schemes lies in the men managing it, and not in the principle itself. This is the United Workingmen's Coöperative Boot and Shoe Manufacturing Company of San Francisco, which has for nineteen years carried on its business on a purely coöperative plan, and which ranks to-day as one of the most solid business houses in the city. The impulse toward organization came from the effort on the part of certain boot and shoe manufacturers to substitute cheap Chinese labor for the dearer white labor in certain branches of their work. The white laborers were notified that after a certain date prices on certain grades of piece-work would be reduced, and it was openly understood that Chinese would be taken to fill the places

of any who quit through dissatisfaction. This was in the spring of 1867. There was a general protest from the shoemakers in all departments, but the manufacturers, believing that their interests required the proposed reduction, adhered to their first terms. The boot and shoemakers in these factories thereupon struck. As usual in such cases, the strike was in the long run ineffectual. But out of it grew the Workingmen's Coöperative as a result of the discussion among the men thrown out of employment by the strike, of the different means available for bettering their condition. The moving figure of the plan was John Mahoney, and the first members comprised about seventeen of the employés in the Pacific Tannery Boot and Shoe Company. These met one evening and drew up a plan for the proposed coöperative. Mr. Mahoney had had some previous experience in such matters outside of the state. The others were practically without knowledge of such affairs. Before work was commenced the membership had grown to thirty. These hired a loft, pooled their tools, paid in *pro rata* enough to purchase the stock necessary for starting, and commenced work without waiting for formal organization. They seem to have been very practical, level-headed men, and singularly free from the mutual jealousies that have wrecked so many coöperative schemes. For a long time they worked harmoniously, as they began, making no difference as to what class of work a man was doing, so long as he put in his time for the common good, and never seeming to grudge fair salaries to those whose work was not manual, as for example their solicitor of trade and book-keeper. Later they incorporated with a stock capitalized at $15,000, divided into three thousand shares of $5 each. Curiously enough for such practical men, no copy of their constitution or by-laws has been preserved, and all that has been gathered concerning these has been the personal recollection of members. A primary principle, however, was that none but stockholders should be employed. Another clause provided that each member should leave at least one-tenth of

his earnings in the treasury for the purpose of building up the capital. No limit was placed on the amount of stock each member might hold, but in stock-meetings no man had more than one vote. Regular rates of wages were paid to all who labored, and at stated intervals the profits were reckoned and divided among members proportionally to the number of shares held by each. The question of discipline was left in the hands of the superintendent of the shops, subject, however, to revision by the board of trustees, to whom the former was responsible. There was no provision by which a member could be dropped and his stock called in, but the superintendent could discharge at his discretion any member who was not faithful in the performance of his work, or who refused to submit to the necessary discipline. The aim was to preserve as much as possible that feeling between manager and employé that would exist if the latter were working in an ordinary "boss" shop. In the latter case the employé knows that if he shirks, or does not conform to rules, he will lose his place; and it is the one great drawback of coöperation that every man, when pushed to it, takes the ground that he is a member of the firm, and therefore above ordinary discipline. This was the greatest stumbling-block met with by the United Workingmen. In such cases, however, the men were promptly discharged. No effort was made in such cases to draw in their stock, but after a little the expelled members were either re-instated on promise of future good behavior, or their stock passed into other and better hands. In no case after discipline and re-instatement has the association found need of a second application of the rules.

In the face of competition with well-established firms already in the field, the growth of the United Workingmen's Coöperative was necessarily slow. It was seriously discussed and definitely determined by them that the enterprise should stand entirely on a cold-blooded business basis. Sentiment about the relative dignity of positions and offices was carefully shut out. It was agreed that the

shrewdest and most careful business men among them should be selected for the position of managers, and it is a practical evidence of the sincerity of their dealings with each other that success crowned their efforts, while the officers originally elected have never been changed, except where vacancies occurred through death or voluntary retirement.

If success came slowly it came steadily, and at the end of seven years it was found necessary to remove to more commodious quarters, and to increase the capital stock. At the same time it was found expedient to modify the constitution so as to admit of the hiring of persons not holding stock. Later a further increase of capital stock was decided upon, it now standing at $200,000, divided into 40,000 shares of the primal value of $5.00 each. Of this $87,000 has been paid in. The by-laws admitting of the hiring of outsiders has worked toward consolidating the stock into the hands of a few men, the number now being in the neighborhood of twenty. Within the past few years the company has bought a site and built a commodious factory of their own. It is fitted with all the latest appliances for their line of work, and gives employment to a hundred and twenty-five men, women and children. The men receive average wages of three dollars per day, the women one dollar and fifty cents, and the boys one dollar. The value of the annual product last year was $250,000. The business is a growing one, and the stock is selling at a premium in the market.

This is an interesting case; an honest and successful experiment, carried out by workingmen. But the steady lessening of membership seems to be a feature of many coöperative organizations. The married men and the home-owners stay; the bachelors and the renters sell out their stock, and fall back into the wage-takers' ranks.

Kaweah: A Coöperative Commonwealth.

The attempt to follow the coöperative idea out of purely business fields into the multifold schemes of the idealists and social reformers, leads one into difficult paths. There are almost as many of these schemes in California as there are socialists. Several of them have been carried on successfully, but the reasons of their success lay outside of the coöperative features of their constitution. For instance, the Harris colony, near Santa Rosa, is held together by the personal influence of its leader. He is an object of religious reverence, and has autocratic control over all colony affairs. There is also a vegetarian colony in the San Joaquin valley which has attained notoriety if not success. In all these cases there is some pet idea or hobby at the bottom of the movement and the coöperative plan is secondary, being adopted merely to bring all members under the same discipline with the least expenditure of effort.

The Kaweah colony, which I have chosen as a good representative of its class, deserves a better word. It is purely a socialistic movement, but has no aim beyond the general social and financial elevation of its members. Most of those connected with it have had wide experience in such matters, and the constitution shows that trained hands have been at work. The objects of the colony are stated to be "to insure its members against want, or fear of want," by providing happy homes, ample sustenance, educational and recreative facilities, and to promote and maintain harmonious social relations on the solid and grand basis of liberty, equality, fraternity and solidarity.

The projectors put forth a general statement, as follows:

"Competition vs. Coöperation."

"The synonyms of Competition are strife, contest, rivalry. Its consequences are jealousy, discord, disintegration and anarchy.

"The synonyms of Coöperation are unity, harmony, concord. Its results are economy, good-fellowship, peace and plenty.

"The former is the system under which we live. The latter is the system we propose to inaugurate.

"We need not ask which of the two systems is preferable, or which should be adopted by an intelligent people.

"Competition has amassed riches in the hands of an avaricious few. It has induced profligacy on the one hand, and poverty, crime and degradation on the other. Its fruits are war, murder, incendiarism, suicide, starvation and theft. It has dotted our land with insane aslyums and prisons, and filled them to repletion with its victims. Its tools are a corrupt legislature and judiciary, a subsidized police and a prostitute press. Its advocates are capitalists, stock-jobbers, money-lenders, lawyers, politicians, and exploiters of labor.

"Industrial Coöperation implies an equitable and scientific adjustment of the relations between Capital and Labor. It yields an abundant return to those who perform their share of duties. It yields nothing to drones. It permits ample time for recreation and study. It removes incentive to crime. It promotes happiness, fosters education and assists invention. It opens wide the gate to all who desire to revel in the fields of science and art. Its religion is "to do unto others as we would they should do unto us." It is evolution—a step higher in the scale of human existence, or—if you please—the dawning of the long-prophesied millenium."

The beginnings of the enterprise were both modest and practical. C. F. Keller was the first organizer. He was joined by A. E. Redstone, recently the labor candidate for congress from the Fifth District of San Francisco, and by J. H. Redstone, a recent labor candidate for attorney-general of the state, both men of considerable prominence. The next person to join them was J. I. Martin, the present secretary of the colony. About twenty-five persons joined them in a few months. At last accounts they claim about eight hundred members living at present in various parts of the Pacific coast, but all willing and anxious to remove to the new commonwealth, as soon as practicable.

Two advantages about Kaweah merit the attention of students of coöperative schemes, and so very valuable are they that many lesser difficulties will probably be overcome. One is the method by which a group of poor men have obtained sufficient land for a colony; the other is the peculiar

value of their situation. None of the projectors were in a position to purchase a tract of the necessary size, and the class it was aimed to benefit were as a rule so poor that no immediate aid could be obtained from them. Three of the four projectors, however, were lawyers, and among them the idea was hit upon of having each colonist, on entering, homestead a piece of government land adjacent to the proposed site of the colony, which land, when proved up, should be deeded to the commonwealth. The greatest difficulty in the way was in finding a tract of unoccupied government land large enough for the expected expansion of the colony, and at the same time rich enough for agricultural purposes. A location was finally determined on in the foothills of Talare county, along the banks of the Kaweah river. Locations were made and in two years the individual members filed on about twelve thousand acres of land. In other words, a tract of government land, worth to actual purchasers thirty-one thousand dollars, was secured at a nominal cost. Its prospective value is very great indeed; in fact, it has quadrupled in value since it was first homesteaded. The colonists claim that they will practically control timber and forest lands to make up one hundred square miles of territory, or over sixty thousand acres, and this appears reasonable from what I know of the country. The application of the coöperative idea has therefore enabled these men to obtain almost without expense a title to a foothill principality.

The character of the soil, the delightful and invigorating climate, and the unusually diversified resources which nature has placed at the colonists' disposal, all unite to make success physically easy. So remarkable are the natural advantages that a further explanation of them is necessary. The foothills of the Sierra Nevada now comprise the bulk of the government lands in the state. They lie in a long narrow belt, parallel to the central valleys of the San Joaquin and Sacramento. They are adapted to every horticultural use, and abundantly supplied with water, stone, and timber. As soon as they are well settled, railroads

from the valley will penetrate these foothills in every direction. The scenery is very grand; snow peaks to the east, the broad valley like a plain to the west, and, sixty miles beyond, the Coast Range blue and vast. The Kaweah location is in a long neglected part of California, the southern Sierra belt. Vast bodies of sequoia crowd the deeper cañons. Single trees measuring one hundred, and even one hundred and twenty feet in girth, have been found by explorers, and the oak, fir, spruce, pines, and other trees form whole forests. Nevertheless, much of the land is almost ready for the plow, swept by forest fires, or long ago denuded of growth. The soil is red, volcanic, light and easily worked, but extremely fertile. It will produce every kind of fruit, vegetable or grain. The Kaweah river runs through the land, furnishing abundant water supply at all seasons, also water-power for mills, factories, canneries, or any other uses. Large deposits of iron, marble and limestone are found upon the tract. The timber supply is so great that the manufacture of shingles, doors, blinds and window-sash has already been commenced. Woollen-mills and marble works are expected to follow. Fruits and grapes are being planted, and dried fruits and raisins may eventually form an important part of the colony's exports. They can keep a large number of horses, cattle and sheep, for the range is ample. The waste water-power can be utilized to light their dwellings by electricity, and relieve the colonists of many of the lesser labors of life.

From this brief statement it will be seen that failure, if it occurs, can come only through insuperable faults in the political organization. A single individual, taking this magnificent tract of mountain land, and given an amount of capital equal to the labor-capital these eight-hundred colonists represent, could undoubtedly develop and make immensely profitable the whole enterprise. It remains to be seen whether the coöperative commonwealth can achieve financial and social success. We will first give a brief synopsis of its organization, and then quote in full the most important parts of their laws.

An effort was made in drawing up the constitution to allow as much individual liberty to members as was compatible with the general socialistic aims of the projectors. The terms of membership were arranged to suit not only those who desired to move at once to the colony site, but also others who might desire to become active members in the future. No one could participate in the advantages of the colony except members. Anyone accepted by two-thirds of the active members, may join the association. The admission fee is placed at five hundred dollars, of which one hundred dollars must be paid in before the person paying becomes entitled to participate in the work of the association. This one hundred dollars can be paid in small assessments, if desired. This once paid, however, the person paying can go to the colony site and work out the remainder of his initiation fee at a stated price of forty cents an hour.

The government of the colony is a pure democracy There are a president, superintendent and other officers, but they are limited to a tenure of one year, and may be removed at any time by vote of the colony. Their duties are merely nominal, as everything of importance in the way of discipline and business comes before the popular gathering. This body is called the "Referendum," and consists of all the colonists over twenty years of age. Women are given a vote as well as men, and rank equally with them in all public affairs. When a married man joins the company, his certificate of admission admits his wife and minor children. Children of age must be voted on as new members. A single person who has joined, may afterwards marry an outsider, and the latter then becomes a member by courtesy. On occasion of divorce, in such cases only that one of the divorced parties remains a member who originally held a certificate of admission. The other party may, however, be re-admitted by vote. The Referendum has final power in all matters, a two-third vote being necessary to admit or expel members, but a majority vote answering in other cases.

All land remains vested in the members jointly, but each member is entitled to have a lot not less than two hundred by two hundred feet set off for his private use. On this he may erect a house at his own expense of any style he desires, and over this he has exactly the same rights as if he held it in severalty, except the one right of alienation. He cannot sell either land or house to anyone; but if a member withdraws or is expelled from the association, the latter pledges itself to buy back his house at a rate proportional to cost, and pay a reasonable sum for his improvements. In case of death, the property of a member passes at once to his heirs. Those not able or not willing to live privately, are housed in hotel quarters at the colony's expense. No member is obliged to work, but if he does not, he neither gets wages nor a share in the profits of the concern. All are equal in point of labor, but the field in which each shall work is determined on entrance by the Referendum. Assignment once made, the new member works or not as he chooses. All work is paid for on a basis of forty cents an hour, and a maximum of eight hours is fixed during which a member may labor per day. Payment is made in orders on the company's store, which keeps everything in stock, and sells to members at cost.

The main idea on which dependence is placed for bettering the status of the colonists is coöperation in all public works. They start on the principle that if each man has an interest in the public affairs, and works personally towards keeping them in smooth running order, better government and more improved facilities will result from this personal participation than result from the present system of delegated authority. Everything being accomplished at cost, the result to individuals will be less expensive than where contractors and others have to be paid as well as those who labor. Thus the colony has undertaken to build a railroad from their site to Traver, the nearest railroad point, a distance of about forty miles. Surveys have been made, and the most difficult part of the grading has already been finished.

It is estimated that the total cost of building the road, when completed, will be about three thousand dollars a mile. A comparison of these figures with the cost of other railroads, will show the immense saving by this coöperative plan. In the same way, it is proposed to furnish electric light to all the houses of the colony; the motor being owned by the commonwealth. Every member is to have just the same share of results, and no one member is to have more than any other.

The leaders of the colony laugh at the idea that those joining will not cheerfully fit themselves to the occupation chosen for them by the Referendum, and they believe also, that all will be willing to do their best work. In one of their publications they say: "No person is desired as a member of this colony who is not in sympathy with the great movement now going forward for the elevation of mankind, one of the motives being to show, in a practical manner, how the vexed labor question may be peaceably solved, by instituting a system of industrial coöperation, in which all participants will have equal opportunities of advancement." They also provide that members of the colony may leave it for any length of time without forfeiting their membership. When they choose to return, all the opportunities and enjoyments of the colony will be open to them, but of course they will not receive any benefits or dividends during their absence. Their statement of the "value of a membership," is that—

"A membership in this association consists of an equal share with all other members, in the emoluments, profits, privileges and hereditaments of the colony. It means that every member shares equally in all that the bounteous soil will yield and all that improved machinery can produce, measured by the amount of time he has usefully employed, or the proportion of energy he has himself expended in producing the general result, whatever it may be.

The religious opinions of the members are not questioned. "The ideal religion of the colony will be to 'Do unto others as we would they should do unto us.'"

Some of the clauses relating to the rights of women and children are as follows: "Male and female will have equal privilege in voting, also equal pay for equal services performed." "The orphan children of members are a public charge." "The sexes are to be financially independent of each other." "Affection, congeniality and morality are to be the only incentives to marriage."

The by-laws deserve study, and the portion not heretofore given may well find place here. The views of the Kaweah colonists upon inheritance, marriage, property and administration are well defined and strongly stated.

BY-LAWS.

Membership.

Membership shall commence on the payment of the membership fees, subject to the conditions and agreements stipulated and set forth on the certificate.

Applicants for membership not vouched for by any member of this association must give satisfactory reference as to their fitness for membership.

Rejected applicants for membership will have the amount deposited by them returned.

The price or value of a membership in this association may be fixed by the members at any sum they deem advisable, not less than $500.

No member shall have any advantage or privilege over another.

Every member shall have equal opportunity to work for the association in the avenue of employment for which he is most fitted.

A member will be required to render value either in labor, money, material or service for everything he receives from the association.

Membership—Withdrawals.

A member can withdraw from the association at any time, by giving three months' notice to the secretary of his intention to do so. If he has been twelve months a member, he will be entitled to receive back all that he has paid upon his certificate, but any debts he may owe the association will be deducted therefrom. This payment shall be made at the earliest possible convenience of the association, and shall be given priority over other liabilities whose payment is not necessary to the perpetuity of the colony.

Upon the withdrawal of a member, his private dwelling and improvements, if he have any, will be valued at a fair valuation upon the basis of cost, and he will be allowed the full value of the appraisement, whatever it may be.

No member will be allowed to sell or transfer his certificate of membership to any except the association.

No person shall hold more than one certificate of membership in this association, but when the person is married, the wife or husband shall, if living upon the colony, be each entitled to a vote on said certificate.

Children.

Children of members under the age of sixteen years will be admitted to the colony free, but they must be kept at the expense of the parents. Education, amusement and public service will be free to all. Over that age and up to twenty years, the parents of the child will be required to pay upon taking up residence, in money or material, the sum of one hundred dollars; or the child will be required to perform some useful service to the colony, if between sixteen and seventeen years, to the value of five dollars per month until twenty years of age; if over seventeen years, ten dollars per month; if over eighteen years, fifteen dollars per month; if over nineteen, the child will be required to perform service to the value of two hundred dollars, when he will be entitled to full membership in the association. Children over sixteen years of age will be given an opportunity of earning their membership.

At the age of twenty years, the foregoing conditions having been complied with, all children of members, male or female, will be entitled to full membership in the colony.

Children over eighteen years of age, wishing to live independently of their parents, will be given an opportunity to earn their own living, under certain restrictions as to the hours of labor and the kind of employment.

Property.

All land, buildings, stock, crops, machinery, warehouses, workshops, tools, stores and other property, except the private dwellings and personal effects and hereditaments of members contained therein, and other goods and chattels particularly specified as exempt, shall be held in common as the association, each member having an equal share and interest in the same, and in the profits, privileges, and emoluments arising therefrom.

Each member shall be entitled to the use of a piece of land not less than two hundred by two hundred feet, upon which he may erect a dwelling, and shall enjoy the exclusive use and privilege of the same as long as he remains a member of the association.

A member may build a house for himself upon the ground reserved for his private use, but will not be allowed to contract to build a house for another member, or to do any other private business for profit of other members, except by consent of the association.

Miscellaneous.

No member, or any other person will be allowed to keep a store for the sale or exchange of goods or wares of any kind or description upon the lands of the association.

The association shall keep a store for the convenience of members, at which all articles of necessity can be purchased with the labor time-checks provided by the association. Cost shall be the limit of price.

The business and trade of the association of whatever kind or description shall be conducted coöperatively by the association for the benefit of the association.

Employment and Service.

Services of all kinds performed by the members of the association for the association, shall be paid in duly certified time-checks, as may be hereafter prescribed.

No colonist shall demand that the colony employ him more than eight hours a day.

Administration.

The colony shall legislate by means of the Referendum and its officials shall be subject to imperative mandate, which means removal at any time for good and sufficient cause. The system of proportional representation shall be used in electing officials

Members can be accepted only upon a two-thirds vote of all of the members. Members may be expelled by the same vote.

Every member present at any meeting must vote on all questions presented, and women have in all respects the same rights as men.

The following rules for the present will govern the admission of members to work in the colony:

As soon as a member has contributed in money or supplies the full value of one hundred dollars, he will be placed upon a list numbered in rotation in the order of payment. Those whose names rank first upon this list will be entitled to precedence in their regular order, and will have the first privilege of employment in the colony. This rule will be observed as long as there remains a necessity for its existence. It does not debar a member from the privilege of living in the colony or of building or making other improvements upon the building site reserved for his individual use. It simply refers to his employment by the colony, which of necessity must be limited to the number it can employ profitably.

Labor notes shall be transferable.

Education shall be scientific, and text-books shall be adopted in conformity with the truth as understood by the majority.

Medical service is a public service and the physician a salaried officer, his salary dependent upon the health of the colony, rising as it rises and falling as it falls.

Inheritance.

In case of the death of a member; the amount paid upon his certificate together with the actual cost of the buildings and useful improvements [if any] that he may have erected upon the building lot occupied by him, shall be paid to his legal heirs. But the same shall not be payable until one year after the death of the member, unless at the option of the board of trustees.

A member may name his successor in the event of his death, but the person thus named will have to be balloted for in the usual way, and if not elected to membership, he or she will receive the cash value of the member's estate as an ordinary legatee, unless other provision is made in the member's will for the disposal of the estate. This disposition shall be made as provided in the foregoing section.

The certificate of the husband will admit also his wife to the colony and *vice versa*, each having a vote in the affairs of the association.

Marriage.

In the case of the marriage of a member after his or her advent upon the colony, to a person who is not a member, such person, if of good moral character will be entitled to free admission and will be allowed all the privileges of membership as long as the marriage relation exists. In case of a divorce or separation, the only person recognized as a member will be the one to whom the certificate of membership was originally issued. The person thus separated can apply for membership in the usual form, and if elected a certificate will be issued upon the regular terms.

It must be the wish of all right-minded persons that a colony scheme begun in so promising a region, and with so many attractive features, may succeed in the fullest sense, and so contribute to a solution of the difficult problems involved. The weakness of the scheme will lie in the dangers of a shifting membership. The horticultural work the association proposes to do, although extremely profitable in the end, will take ten or fifteen years to bring to a fair degree of success. It will require much mechanical skill,

much executive ability, and much "coöperative good-will" to carry on the group of factories and mills that they propose. The absentee clause may operate badly by permitting their best members to speculate and struggle elsewhere during the most important years of the colony. So far, however, everything works smoothly, and the intrinsic value of the colony property is increasing every day. With financial prosperity will come the true struggle, and the finer social problems involved must work out their own failure or success. There will be malcontents and incompetents, as the colony grows in numbers, but the projectors "put faith in the essential goodness of human nature," as one of them recently expressed it.

The Coöperative Watch Repairing Company.

The beginning of this coöperative movement on the part of the watchmakers of San Francisco dates back to the winter of 1881. At that time there was in this city a large number of small shops devoted to repairing for the trade, but the competition, together with the cost of keeping up so many separate establishments, prevented the business from being profitable to the laborers. The watch repairers were mostly German, Swiss and French, and though not improvident they were not especially enterprising. The first impulse toward union came by accident. Mr. T. H. Lord, an American, who conducted a small city shop for repairing, drew from the free library a book for another purpose, which turned out to be a treatise on coöperation in England and France. Up to this time he had not thought about the subject, but his interest grew in the reading, however, and he broached the topic to one or two other men having shops in the same building. They too considered the scheme feasible and quietly set to work to carry out the plan. Their object was to save expense, by the hiring of a single shop in place of the numerous ones then hired, also by the pooling of tools, and the division of profits.

In December, 1881, a formal incorporation was affected for the purpose of "engaging in the business of repairing watches, clocks, etc., and conducting a general mechanical workshop for the trade; also buying and selling watch-material, tools, and other articles appertaining to the watch and jewelry business." The capital stock was $5,000, divided into five hundred shares of ten dollars each. The membership was of two sorts, "passive," *i. e.*, where the stockholder simply invested money in the business, and "working," where both time and labor, as well as money, were devoted. Every working member was obliged to own two shares of stock and also to give sufficient proof of his ability and skill as a practical watchmaker. The reason of formal incorporation was because certain state laws had to be complied with. But after this form was gone through with the further workings were as informal as could well be. A small shop was rented, and each man brought what tools he had. The stock of material in each shop was turned into the common stock and proper allowance made the owner for the same. T. H. Lord became the business manager, as provided by the constitution, and also filled the offices of secretary and treasurer. They worked by the piece, and at the end of each week each man was paid according to his work. A small amount,—enough to cover the expense of material and other calls for the following week—was kept back as a reserve. At stated intervals a division of profits was made. This division was *per capita* and had no connection with the amount of work done. It was proportional to the number of shares held by each member.

At first the venture was a great success. Work poured in, and their number of workmen increased to nine. This was the largest number ever at work at any one time, although for a while the membership numbered fifteen. The first difficulty came from other watch-repairers. The endeavor was made by the coöperatives to induce all the watch-repairers in San Francisco to join with them in the

enterprise, but the majority looked upon the scheme with disfavor, and preferred to work by themselves. They seemed to feel a jealousy of the coöperative shop, and cut prices so as to try and take away its business. On the other hand the coöperatives were equally foolish. With the exception of their manager they were all Germans, and conservative to the point of obstinacy. Believing that they had matters in their own hands, they voted not to cut the prices at which work should be taken, expecting that their trade would remain, but dull times followed for the coöperative shop. This difficulty might in time have been overcome had not other troubles followed.

It was impossible to enforce needful discipline. Sentimental theories, when the society was founded, had prevented the incorporation of punitive clauses in the by-laws. Every one had been enthusiastic, and the leaders had not doubted but that the enthusiasm of their fellows was equal to their own. In their ignorance of the practical workings of coöperative schemes elsewhere, they do not seem to have thought of the necessity of providing for penalties. At any rate no provision was made for the expulsion of unruly members, nor for the fining or other punishment of those guilty of idleness, waste, or smaller assaults upon the corporation scheme. A short set of "office rules" had been adopted, which were from time to time amended to suit varying contingencies, but, from first to last, they were practically unenforced.

The greatest drawback to the success of the enterprise—and, in fact, the disease that finally carried it off—was more than the unwillingness of the men to govern themselves. They constantly cheated each other, and condoned each other's offences. For instance, all work was given out by the piece to the workmen with a check-slip on which was noted the repairs to be made. This slip the latter was obliged to return on the completion of the job, stating what he had done and what it was worth. At first this worked well; but after a time the more idle of the men

began slighting their work, glossing over the surface so that it appeared to be properly done, and sending it back with dishonest endorsements, so that at the end of the week their books would show a high average for pay, though the work had been below par. The discovery that this sort of thing was going on came from the continued return of "pieces," which had been delivered as properly repaired, with the complaint that the work had not been really done. There being no way of punishing the offending workmen, the directors made a new rule, that all work done by one workman should be examined as to completeness and thoroughness by a second, before it was returned to the manager, and that this second should add his signature to the check-slip as a countersign of its truthfulness. This doubling of the responsibility, however, lasted only a very short time. The men found it easy to choose others of the same mind as themselves to inspect their work, and finally it became largely a matter of bargain on the "you-inspect mine-and-I'll-inspect-yours" principle. They never seemed to comprehend that it was necessary to show the same honesty toward themselves as they would have shown in their work toward the employer in a "boss" shop. The difference in nationality, too, served to breed discontent, the German-speaking members were in difficulties with the Americans, who spoke only English. Under these conditions the society lived a little over three years. When the first men began to drop out, their stock was taken by the others. But later no one wanted the stock, and one by one the men went elsewhere in search of work, until now there is only the former manager, T. H. Lord, who is doing business for himself under the society's name.

Coöperation Among the Chinese.

The intense suspicion of all foreigners, and especially of all Californian foreigners, this being a marked characteristic of the Chinese nature, makes the examination of any special coöperative institutions they may have in San Francisco a

practical impossibility. They absolutely refuse to talk about the matter, and deny that such combinations exist among them. Consul Bee, however, has furnished certain general facts concerning coöperation among them, which indicate that the principle is much more wide-spread, better understood, and more sweepingly applied with them than with their Caucasian brethren. In fact, all the skilled laborers among them are gathered into one or another of these institutions. The government of all these organizations is similar, depending on the nature of the business to be carried on for its peculiar modifications. They have governing officers and boards of managers much after the Caucasian plan, but the rules are more strict as to enforcement of discipline, and also as to where, when and how business shall be carried on. The different coöperative groups in each employment coöperate with each other so as to avoid overstocking the market and prevent the lowering of wages and of profits. This is a distinct advance on the European (or rather American) plan, which does not, to my knowledge, provide for the coöperation of anything besides that of individuals. The final seat of power with each trade lies in a board of managers, numbering three, appointed from the groups. This board has the general oversight of that trade in California. It settles all questions of general policy, as for instance, how many wash-houses shall be allowed to exist within a given area, or how many men may be employed by a given company at a certain state of trade. The general scheme followed by all trades seems to be about as follows: The managers of each trade requiring skilled labor look over the field and calculate how much business of their particular class it will support. As a rule no business has yet found the field so full that new groups, wishing to engage in that business, could find no place. The main effort has been to keep too many from crowding in at the most lucrative points. When a group is "located" at its point, it takes an account of the capital owned by each proposed participant, making the sum total the amount of

capital stock for the concern. Each man is credited with stock proportional to his investment. It is common to find from five to fifteen in a group. Sometimes the number is larger. These men open a shop and put in their time, which is paid for usually at regulated prices. At the close of each year, before the Chinese new year, the books are balanced, everybody receives his share of profit or pays his proportion of loss, the books are then burned and a new set opened for the new year. There is little difficulty on account of insubordination or failure to agree. Each member on joining the enterprise binds himself to obey the laws of the association under definite heavy penalties, and the understanding is clearly had that any man's stock can be taken from him and his connection with the concern terminated by a majority vote of the other members. In this case, however, the value of the stock is returned to the expelled partner, less his share in the current expenses at the time of his expulsion. If the business grows beyond the working capacity of the charter members, they are at liberty, with the permission of the general managing board, to hire other laborers of their craft, who are paid for their work and have no share in the profits. This is a common move, some of the large shoe manufacturers hiring from two to four hundred employés. There is often provision, however, by which such of these as care to, can come into the firm, the capital stock, in this case, being increased by the addition of the amount invested by the new-comers. When business falls off these "non-participating" laborers are the first discharged. But each of the coöperatives, in joining a group, is required among other things, to agree to "lay off" as the council shall order. And it often happens that those men who belong to the firm as joint owners, are arbitrarily laid off for a time so as to keep up the prices that otherwise would suffer through over-production. The number of apprentices is not limited as with us, but each man learns the trade with the full understanding that he must expect to be laid off when work is dull.

With white labor it would be impossible to dictate thus, as to when it should or should not work, and where its activities should be exercised. But with the Chinese no such trouble is experienced. The white laborer if boycotted at one point seeks another, and, being accountable only to himself, soon sinks his objectionable identity in a strange place and is able to start again. But every Chinese in California comes here under contract with some one of the six great companies. Each company looks after its own members, and sees that they obey the laws that are for the best interests of the majority. Little is known of their peculiar tribunals and judicial methods. But one thing, at least, is certain, that no Chinaman will disobey them if he can avoid doing so. Their influence is stronger than that of the American courts, and they work within themselves and in secret. It is this accountability, and this dread of their own secret courts, that keep the Chinese laborer to the letter of his contract. If his group says lay off, he lays off, and if, having occupied a certain field the group orders him to vacate, he does so without question, because to refuse would make him amenable to Chinese law.